Restricted Items:

(Export Permitted Under Licence)

(i) Vegetable oils in consumer packs above 5 kgs., namely:-

Coconut oil; cotton seed oil; corn oil; kardi oil; linseed oil; mustard oil; niger seed oil; palm oil; palm kernel oil; rape seed oil; rice bran oil; salad oil; sunflower oil; sesame seed oil; soyabean oil.

(ii) Groundnut Oil.

[English]

Agreement for Procurement & Processing of Rice by MMTC

5450. SHRI UTTAMSINGH PAWAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the Minerals and Metals Trading Corporation of India Ltd. had entered nto an agreement for porcurement of Basmati rice and process it;

(b) if so, the details of the agreements thereof;

(c) whether MMTC has suffered a loss of about four crores in this transaction;

(d) if so, the details thereof and the reasons therefor;

(e) whether the Government had instituted any enquiry into this deal and fixed up any responsibility on the officers who signed that agreements; and

(f) if so, the details thereof;

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLA RAMAIAH): (a) and (b) Yes, Sir. MMTC entered into an agreement with M/s. K J International for procurement of paddy for Basmati rice and processing it into finished rice for export. A quantity of 3784.45 MT valued at Rs. 3.97 crores was procured. They were required to give 1740.85 MT 'A' grade superior Basmati rice. Out of this they gave 273 Mt of 'A' Grade rice which was sold locally for Rs. 53 lakh. They also informed that they have exported 1000 MT 'A' Grade rice valued at Rs. 1.95 crores to Saudi Arabia.

(c) and (d) The matter has been referred to Arbitration. The quantum of loss, if any, would be known only after the Arbitration proceedings are completed.

(e) and (f) Yes, Sir. An inquiry has been instituted and investigations into the transaction are under process.

Winding up of MSTC

5451. SHRI RAM NAIK: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware that the Board of Industrial and Financial Reconstruction (BIFR) has issued notice, to wind up Maharashtra State Textile Corporation (MSTC);

(b) the reasons for winding up these mills;

(c) if so, whether the Government have agreed to the above proposal of the BIFR; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (d) Having considered all the relevant facts and circumstances of the case, the Board for Industrial & Financial Reconstruction (BIFR), is of the prima facie opinion that it is just and equitable that the Maharashtra State Textile Corporation Ltd (MSTC) should be wound up. Accordingly, the BIFR has issued notice to MSTC and all concerned to make their suggestions/objections, if any.

Finance for Voluntary Retirement Schemes

5452. SHRI MOHAN RAWALE: Will the Minister of TEXTILES be pleased to state:

(a) whether the Reserve Bank of India has allowed some all India lending institutions to finance Voluntary Retirement Schemes in cotton mills;

(b) if so, the details thereof;

(c) the terms and conditions agreed upon with these financial institutions for financing Voluntary Retirement Schemes in cotton mills;

(d) whether these cottion mills also include National Textile Corporation mills;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (c) Reserve Bank of India has issued instructions in Nov. 96 to term lending institutions namely, IDBI, ICICI, IFCI, IRBI and SCICI to the effect that the Financial Institutions may while determining the quantum of financial assistance for modernisation plan of cotton mills, take into account the outgo on account of Voluntary Retirement Scheme (VRS) and gratuity. However, Financial Institutions should be satisfied about the viability of the proposed modernisation plan and they should also ensure enduse of the funds. Voluntary Retirement Scheme and gratuity outside the modernisation plan will not come under the purview of these instructions.

(d) to (f) In the case NTC, VRS has been funded out of National Renewal Fund.

[Translation]

Rehabilitation of Textile Workers

5453. DR. SATYANARAYAN JATIA: Will the Minister of TEXTILES be pleased to state:

(a) the steps taken for the rehabilitation of the workers of the closed textile mills in Madhya Pradesh; and

(b) the details of the present Government's "textile